

MAJOR LIST EXTENSION PROGRAM FOR CHINCOMA. Progress to Date

Hitherto progress in CHINCOM toward increasing embargo coverage has been a slow exchange-of-government-position process operating principally in the form of a review of the UK Supplementary List proposals which had been first introduced in COCOM in October 1951. Considerable progress had already been made in COCOM's Sub-Committee On Export Controls To China; and CHINCOM activity since December has resulted in the creation of a China Special List for embargo containing 24 items of the original 35<sup>6</sup> proposed by the UK, with certain modifications as to definition. The status of the remainder of these items varies. See "Six Months Summary of CHINCOM Activity".

In addition to the UK Supplementary List proposals, the UK had also made new proposals for addition of other items to the embargo list; and four of these items have been added (gas carburizing furnaces, cement guns, fork-lift and platform trucks, and metal spraying equipment). Additionally, three other individual proposals (heat-treating annealing furnaces, cold chrome plating plants, and other materials handling equipment) are before the Committee. Moreover, the six items recently drawn from the US II-B List and forwarded to the US CHINCOM delegate are also on the CHINCOM agenda for discussion.

Aside from the US pharmaceutical proposals for embargo, which may possibly culminate soon in an agreement on a quantitative control basis, there have been no other list extension proposals which are not related to the original UK Supplemental List proposals.

Security Information  
- 2 -

**B. Proposed Courses of Action**

Before any major US List extension program can be initiated certain conditions precedent must be met:

1. There must have been a decision within the US Government, at least in broad outline, regarding the extent of coverage that we are desirous of having applied multilaterally.
2. There must have been a decision as to the necessary tactical moves and readiness to make such moves to bring about that receptivity required to provide for reasonable prospects for acceptance of US proposals of the scope envisaged.
3. There must have been sufficient technical preparation respecting the items proposed to be covered as to permit a reasonably convincing presentation by the US CHINCOM delegate.
4. Finally, the timing must be propitious in terms of the general political and military developments in the China area.

25X1

25X1

Approved For Release 2005/03/28 : CIA-RDP62-00647A000200070011-2

Approved For Release 2005/03/28 : CIA-RDP62-00647A000200070011-2

Specifically, it is recommended that the China List be comprised of all US Security Lists -- Lists I, I-A, II, II-B, and I-C, all additional items determined to fall within the UK Supplemental List, and all items finally recommended for presentation to the Japanese for either embargo or quantitative control within the US-Japan Bilateral Agreement. It would be assumed that the Eden-Dulles Six-Categories listings and the UK ship voyage licensing list would be completely covered by the above.

The rationale of the above proposal lies in the fact that after more than four years of Chinese communist aggression, this compendium must be recognized as the best judgment hitherto obtainable respecting items having security significance for China.

In recognition of the fact that the technical, area, and intelligence specialist work-load required to make a fresh approach would be tremendous, a conviction that time is of essence, and a strong impression that such a fresh approach could not be depended upon to produce any more justifiable group of commodities, it is recommended that a prompt decision be made establishing the US China List on the above basis.

25X1

Approved For Release 2005/03/28 : CIA-RDP62-00647A000200070011-2

Next 4 Page(s) In Document Exempt

Approved For Release 2005/03/28 : CIA-RDP62-00647A000200070011-2